

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
May 4, 2015

Directors Present: Bill Dickson, Vice President
Blair Ball, Director
Ron Duncan, Director
Leonard Stephenson, Director

Directors Absent: John Jeter, President
Mary Ann Melleby, Treasurer
Ray Morris, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferré, General Counsel
Tom Todd, Finance Manager
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board Vice President Bill Dickson at 1:47 p.m., May 4, 2015 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Vice President Dickson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of the Agenda:** *Vice President Dickson asked if there were any adjustments to the agenda.* There being none the agenda was adopted as presented.
3. **Public Comment:** *Vice President Dickson asked the members of the public for comments.* No members of the public requested to speak at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, April 20, 2015
 - B. Approval of the Minutes of the Finance and Budget Workshop, April 28, 2015
 - C. Approval of the Finance and Budget Workshop Report, April 28, 2015

Director Duncan moved, seconded by Director Stephenson, to approve the consent calendar as presented. Motion carried 4-0, with President Jeter, Directors Melleby and Morris absent.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **(a) SWP Water Deliveries:** The Agency delivered a total of 549 acre-feet to the Noble Creek connection, for the month of April. Pumping has been cut back to one shift per day. **(2) General Agency Updates: (a) Delta Fix:** General Manager Davis reported that Governor Brown had announced that the state is scaling back wildlife habitat

restoration that involves the Delta Fix (formerly known as the Bay Delta Conservation Plan). The revision calls for restoring 30,000 acres of wildlife habitat, down from an initial 100,000 acres. Instead of a 50-year permit, a shorter permit would be sought and it would likely be a permit that could be altered over time, as additional science becomes available. **(b) Community Outreach:** General Manager Davis reported on the number of speaking engagements that he has attended, as well as upcoming engagements that he will be participating in. The Agency has received numerous phone calls relating to the drought. Quite a few callers are inquiring if there are any turf removal rebates in the Pass area. **(c) Drought Workshop:** A special Riverside County Board of Supervisors workshop on the drought will be held on Monday, May 18 from 9:30 a.m. to 12 noon, and is open to the public. The workshop will be held at the County Administrative Center, located at 4080 Lemon Street in downtown Riverside; General Manager Davis will be attending. The County Board will discuss the current drought and its potential impacts on Riverside County. This special meeting is taking place on the same date that the Agency has scheduled one of its regular board meetings. Further discussion on this scheduling conflict will take place on item 8b. **(d) Sustainable Groundwater Management Act (SGMA):** The Department of Water Resources hosted a Public Listening Session on April 29th. The purpose of the session was regarding the development of emergency regulations on groundwater basin boundary revisions, as part of the SGMA. Paeter Garcia (Best, Best & Krieger) attended the session and obtained several documents of which he submitted to General Manager Davis for review. Mr. Garcia stated that DWR wants to ensure that science and sustainability will be the driving considerations in determining basin boundary revisions. General Manager Davis will continue to keep the Board informed on this topic.

B. General Counsel Report: **(a)** General Counsel Ferré stated that the State Board is meeting tomorrow and will be issuing its final emergency regulation for implementing the required 25% reduction in urban water use. He provided detailed information on who is targeted and how much reduction will be imposed. **(b)** A California appeals court made a ruling on whether San Juan Capistrano's tiered water rate system is illegal. The ruling by the 4th District Court of Appeal emphasizes that the general idea of tiered pricing, in which customers are charged higher rates as they use more water, is in agreement with state law as long as the prices correspond with service costs.

C. Directors Reports: **(1) Director Stephenson** reported on the following meetings that he attended: April 20th – Calimesa City Council meeting where the primary topic was the Agency's proposed capacity fee. On April 28th he attended the YVWD Board meeting. Director Stephenson provided a detailed report on the items that were discussed at that meeting. **(2) Director Ball** gave a report on Nexus e-Water's grey water treatment system demonstration that was held on April 27th, at Pardee's housing development located on Highland Springs Avenue in Beaumont. Pardee is proposing to include the system in 50 – 100 homes at that development. The system has been approved by the state of California. **(3) Director Duncan** provided a report on the Inland Solar Challenge that he participated in as a judge; the event took place May 1 through May 3rd. He revealed that Banning High School came in 1st place overall. Director Duncan stated that the Banning Chamber of Commerce has hired Jim Smith as its interim director. The City of Banning has hired Jim Smith (not associated with Jim Smith of the Chamber) as an advisor. **(4) Vice President Dickson** reported that he also attended the Inland Solar Challenge as a judge.

6. New Business: (Discussion and Possible Action)

A. Consideration of Sponsorship of Pass Summit: A staff report and a copy of the Pass Summit Sponsorship Opportunities were included in the agenda packet. General Manager Davis reminded the Board that Riverside County Supervisor Marion Ashley has in the past put on conferences for the Pass area covering various subjects of regional interest, including water, transportation, etc. In past years, board members have attended. The purpose of this proposed Board action is to determine if the Board wishes to be a sponsor of this year's event, which will be held on May 14th at the Morongo Casino. Sessions will include water and transportation, health care, and economic development. There are five board members that will be attending, as well as General Manager Davis, who has been invited to participate on the water panel. After discussion, Director Stephenson made a motion, seconded by Director Duncan, to approve the Bronze Sponsor level in the amount of \$1,000. The motion carried unopposed 4-0, with President Jeter, Directors Melleby and Morris absent.

B. Report on Current Turf Removal Grant Efforts in Southern California: A staff report was included in the agenda packet. General Manager Davis provided information relating to the emergency drought grant funding that SAWPA received in the amount of \$11 million, of which \$5.6 million has been set aside for turf removal. SAWPA is partnering with SBVMD, and possibly local retailers, to form a turf removal rebate (up to \$3.00 per sq. foot) program. The rebates would only be granted to public agencies and HOA's for areas that are publicly visible, transforming ornamental turf grass to drought tolerant landscaping. At this time there are no funds available for turf removal for residential homes in Southern California. General Counsel Ferré interjected that one of the provisions by the Governor was that DWR is to lead a statewide initiative in partnership with local agencies to collectively replace 50 million sq. feet of ornamental lawns with drought tolerant landscape. DWR shall provide funding to allow lawn replacement programs in underserved communities, which might apply to some of the Agency's service areas.

C. Report on AB654 Dissolved Redevelopment Agency Revenues: AB654 related materials were included in the agenda packet. General Manager Davis provided information on what the redevelopment agencies were trying to accomplish when they existed, and what the Governor was trying to accomplish by dissolving the redevelopment agencies. Some special districts that fell within the redevelopment areas seem to not be receiving their share of the RDA revenues. General Manager Doug Headrick (SBVMWD) has introduced AB654 to ensure that property tax revenues formerly passed through RDAs will be distributed in the ways that California voters decided upon. General Manager Davis stated that the Board could submit a letter of support for AB654 or opt to do nothing. If the Board favors submitting a letter of support it would need to be placed on a future agenda for consideration. Vice President Dickson was in favor of bringing this item back to the full board for consideration. General Manager Davis stated that he will continue to report on this item at future board meetings.

7. Topics for Future Agendas: There were no topics for future agendas given at this time.

8. Announcements: *Vice President Dickson reviewed the following announcements:*

- A. Engineering Workshop, May 11, 2015 at 1:30 p.m.
- B. Regular Board Meeting, May 18, 2015 at 1:30 p.m. General Manager stated that he and a number of directors will be present for the Riverside County Board of Supervisors Drought Workshop on this date. He stated that he does not have any pressing matters that would need to be addressed at the May 18th Board meeting and inquired if the Board wishes to cancel said meeting. After discussion, the Board was unanimous in canceling the May 18th Board meeting.
- C. Riverside County Board of Supervisors Drought Workshop, May 18th from 9:30 a.m. to 12 noon. Location: Board Chambers - 4080 Lemon St., Riverside
- D. Office Closed May 25, 2015 in Observance of Memorial Day
- E. Finance and Budget Workshop, **Tuesday**, May 26, 2015 at 1:30 p.m.

9. Adjournment: *Vice President Dickson adjourned the meeting at 2:42 p.m.*



Jeffrey W. Davis, Secretary of the Board
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